

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **WEDNESDAY, SEPTEMBER 26, 2007**, upon the application of **CHESAPEAKE OPERATING, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston C Zone; the Hosston Formation, Reservoir A; and the Cotton Valley Formation, Reservoir B**, in the Danville Field, Bienville Parish, Louisiana.

1. To dissolve the unit designated HOSS C SUD, created for the Hosston C Zone by Office of Conservation Order No. 729-B, effective December 1, 1968.
2. To establish rules and regulations governing the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, and Cotton Valley Formation, Reservoir B.
3. To create a single drilling and production unit for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, and Cotton Valley Formation, Reservoir B.
4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
5. To designate an operator of, and unit wells for, the proposed units as may be appropriate.
6. To propose that future wells drilled to these formations and reservoirs within or outside of the units proposed herein be located in accordance with the spacing provisions of Statewide Order No. 29-E.
7. To permit applicant to combine downhole production from HOSS RA SUA and CV RB SUA, in any well drilled on these proposed identical units in which the ownership interests of the parties are identical in each unit.
8. To define the Hosston Formation, Reservoir A, as the stratigraphic equivalent of that interval encountered between the measured depths of 7,790' and 10,670' in the Bodcaw-Franks-Texaco-Harper Unit No. 1 Well. located in Section 24, Township 14 North, Range 6 West.
9. To consider such other matters as may be pertinent.

The Hosston C Zone was initially defined in Office of Conservation Order No. 729-B, effective December 1, 1968, and was redefined in Supplement to Order No. 729-B, effective April 1, 1972.

The Cotton Valley Formation was defined in Order No. 729-E, effective September 1, 1974.

Plats are available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

8/21/07;8/24/07

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.